November 9, 2016

MINUTES OF THE SPECIAL MEETING OF THE LA SALLE CITY COUNCIL HELD IN THE COUNCIL CHAMBERS, 745 SECOND STREET, LA SALLE, IL. 8:00 P.M., Wednesday, November 9, 2016

CALL TO ORDER

The meeting was called to order at 8:00 p.m. by Mayor Jeff Grove.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present- Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Duncan, Herndon, Schneider

Excused Absence: None

Others Present: Attorney McPhedran, Don Aleksy

City Clerk Brown read the call stating that the purpose of the Special Meeting was for discussion and potential action regarding the City of LaSalle taking action in regard to purchasing and/or otherwise acquiring title to the property commonly known as 540 First Street within the City of LaSalle, including, but not limited to, potential consideration and action on motions, ordinances and/or resolutions related thereto and to related matters.

Mayor Grove explained that he toured the Vendome Building/former Elks Club today and he concluded that it is a definite tear down. The bottom line is that we have an opportunity now, hence the Special Meeting, to take control of the building, not tear it down at this time, but potentially get a developer to tackle the project. The Mayor referenced that on Third Street, we had a collapsed building that we did not own, but still had to take the building down in an emergency situation. In this scenario, the City would have control where we would have a better opportunity to hand it off to a potential developer with the red tape out of the way. If we do not do this and the building has a problem, the City may end up having to demolish the building on an emergency basis as the owner does not have the means to take the building down. This would put the demolition in the City's hands without full control. Mayor continued that with all the good going on downtown, it would be nice for business owners to see that the City is trying to take action to get things moving. He noted that David Schwartz who owns multiple businesses in the City, one being across the street from the Vendome, would like to see the City taking action on this issue. The Mayor stated that taking control comes with some risk, but he feels the benefits outweigh the risks. He added that in regard to asbestos, Don did some research and they also had an inspector walk through the building today and thought there was some asbestos. Don was able to find a report from 2007 that gave the building a clean bill of health, however even if asbestos is present, there are methods to deal with it, similar to what was done at Matthiessen School where a permit is issued, asbestos materials are monitored and set to the side and then disposed of in the proper manner.

Alderman Demes stated that he is in favor of moving forward with taking control of the building and is hopeful we can seek a grant or find a developer to take on the project.

Alderman Schneider concurred with Alderman Demes. Alderman Schneider stated he told David Schwartz that it was one of his personal goals to take care of this eyesore across from his business. Alderman Schneider was in favor of being proactive, seeking possible developers and assisting Don Aleksy in that effort.

Alderman Duncan stated that he is in favor of doing something with the building, but not necessarily of the City taking ownership, as he feels we may be under stuck with less options if we own it because we may be under greater restrictions than if we did not own it. He does not feel we will lose the opportunity to take control of the building in the future by not moving forward at this time. The tax buyer does not have interest in taking title, and the County will not put it back on the tax rolls. In addition, the person who expressed interest in this property needs much more information before moving forward. Alderman

November 9, 2016 2

Duncan is in favor of proceeding with actively trying to get the building torn down, but in a different method than the City taking ownership.

Aldermen Reynolds stated that he is in favor of moving forward. He believes we will be sorry in the end if we do not move take action now.

Alderman Herndon stated that he drove behind the building and noticed that a garbage truck was able to get through, so his concerns about the area behind being unstable were alleviated. His concern is that if we do pay the back taxes and we take ownership, what types of costs would we incur in the building happens to comes down. In addition, he inquired as to the status of the building west of the Vendome. He stated that it looks to be vacant as well and perhaps that could be developed as well. Later in the meeting Finance Director Duncan informed Alderman Herndon that particular building does have an owner and taxes are paid up to date.

Alderman Duncan inquired as to the likelihood of getting insurance coverage on the building if we were to take ownership. Finance Director Duncan stated that we would only take liability coverage as we have done this in the past on other buildings we have acquired.

Attorney McPhedran explained for the public the reason for the scheduling of this Special Meeting so quickly. He stated that from his understanding the Mayor, Don Aleksy and Chris Covert have been exploring remedies for this property for some time. However, just this past weekend, Don Aleksy received an email from the tax buyer of the property, Mr. Douglas Johnson who has a court order to obtain the deed. He purchased taxes for 2011, 2012 and 2013. Another tax buyer purchased the 2014 taxes. The 2015 taxes have not yet been paid, and 2016 will need to be addressed next year. Mr. Johnson stated that although he has the right to take title to the property, he is willing to assign his interest to the City. The timing is what is vital and the reason for the Special Meeting this evening. Mr. Johnson has to make this decision by November 13, 2016 which happens to be a Sunday. In addition, Friday is a holiday therefore Mr. Johnson would like a decision by Thursday, hence the reason for the Special Meeting this evening. In terms of cost, to take title to the property, costs involved could be \$3,656.93 for tax years 2011-2013, \$1,041.49 for tax year 2014, \$627.03 for tax year 2015 totaling \$5,325.45 plus title work etc. For the City to move forward it will take a 2/3 vote of the corporate authorities which includes the Mayor. Attorney McPhedran stated that the 2014 tax buyer has not been contacted, but Attorney McPhedran stated that he knows what we have to do to address this. Brief discussion followed.

Alderman Herndon asked if this redemption period could be extended by the County. Attorney McPhedran stated that this is determined by State Statute, not the County. Discussion continued about the cost of demolition. Alderman Duncan stated that the cost of demolition depends on how much asbestos is in the building. If the entire building is contaminated, costs significantly increase.

Don Aleksy stated he has an asbestos analysis from 2007 which gives the building a clean bill of health. He spoke to the inspector who did the analysis. Don stated that he will be will be providing more information in the next few days. Don also spoke to Tom Walsh with the EPA who indicated that if the property is turned over to the developer, and a certified engineer can write a letter stating the building is in imminent danger of collapse, then the scope changes. He gave Don an application for this type of permit which is \$150. The contractor doing the demolition must have a certified asbestos inspector on site. If the inspector sees something that may contain asbestos, they move those items to the side to be handled and disposed on in the proper manner. Alderman Schneider stated that he knows we are concerned about costs, but an emergency tear down would cost more than having control to bid demolition or seek developers to take the building down. Alderman Reynolds stated that he believes we need to take a proactive approach and continue to move forward.

Alderman Bacidore was under the impression that the potential developer was going to be present. Mayor Grove stated that they met with him, but he stated he needs more time to study the situation.

November 9, 2016 3

Alderman Bacidore expressed concern that we are making this decision in a hurry. Mayor Grove stated that we have been dealing with this for twelve years. Alderman Bacidore inquired as to why the potential developer can't buy the back taxes at a later time. He was concerned we would get stuck with this building. Further discussion followed about the pros and cons of taking control.

The Mayor asked David Schwartz and Chris Duncan, downtown business owners for their opinions on the matter. They both were in favor of the City taking control and felt by taking a pro-active approach it shows a good faith effort on the part of the City. Attorney McPhedran answered some questions posed by Chris Duncan concerning the process.

Alderman Lavieri stated that he has wrestled with this question and does not want to stick the taxpayers with the demolition of this building. However, he thinks that if we take control the City will have a say as to what a developer can do with the property, in order to try and preserve the historic façade of the downtown area. He is in favor of taking control of the property through this process as it seems to be the most strategic option.

Attorney McPhedran stated that this property is Lots 2 and 3 in Block 30 of the Original Town now City of La Salle.

Moved by Alderman Ptak and seconded by Alderman Herndon to approve **Ordinance 2636**: an Ordinance Authorizing Acquisition of Real Estate Commonly Known as Including 540 First Street, La Salle, Illinois also Commonly Referred to as the "Vendome" Premises within the City of La Salle. Each and every alderman has a copy.

ROLL CALL: Ayes: Mayor Grove, Aldermen Demes, Ptak, Reynolds, Lavieri, Herndon, Schneider NAYS: Aldermen Bacidore, Duncan ABSENT: None ABSTAIN: None **Motion carried 7-2**

Ordinance 2665-Authorizing Acquisition of Real Estate Commonly Known as Including 540 First Street, La Salle, Illinois also Commonly Referred to as the "Vendome" Premises within the City of La Salle.

No Old or New Business was brought forth.

COMMENTS

No further comments were made.

ADJOURNMENT

Moved by Alderman Reynolds and seconded by Alderman Demes to adjourn the meeting. Voice vote, all ayes. Motion is carried.

ADJOURNED 8:43 p.m.

Carrie Brown, City Clerk